



General Assembly

January Session, 2019

## ***Amendment***

LCO No. 8228



Offered by:

SEN. BERGSTEIN, 36<sup>th</sup> Dist.

SEN. MARONEY, 14<sup>th</sup> Dist.

SEN. HASKELL, 26<sup>th</sup> Dist.

To: Senate Bill No. 72

File No. 256

Cal. No. 139

***"AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT  
MAKE PAYMENTS ON LOANS ISSUED TO CERTAIN EMPLOYEES  
BY THE CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL  
LOAN AUTHORITY."***

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2022, and applicable to taxable*  
4 *years commencing on or after January 1, 2022*) (a) As used in this section:

5 (1) "Authority" means the Connecticut Higher Education  
6 Supplemental Loan Authority;

7 (2) "Eligible education loan" means a loan issued by the authority to  
8 an individual to (A) finance attendance at an institution of higher  
9 education, or (B) refinance one or more student loans;

10 (3) "Full-time" means required to work at least thirty-five hours per

11 week;

12 (4) "Qualified employee" means an individual who (A) is a resident  
13 of the state, (B) is employed full-time in the state by a qualified  
14 employer, (C) is not an owner, member or partner of such qualified  
15 employer or a family member of an owner, member or partner of such  
16 qualified employer, and (D) has received an eligible education loan;

17 (5) "Qualified employer" means a corporation licensed to operate a  
18 business in the state that is subject to tax under chapter 207 or 208 of  
19 the general statutes; and

20 (6) "Student loan" means any loan in repayment that was issued by  
21 (A) the authority, or (B) any other private or governmental lender to  
22 finance attendance at an institution of higher education.

23 (b) (1) Each qualified employer that employs a qualified employee  
24 and makes a payment directly to the authority on an eligible education  
25 loan on behalf of such qualified employee may claim a credit against  
26 the tax imposed under chapter 207 or 208 of the general statutes.  
27 Except as provided in subdivision (3) of this subsection, such credit  
28 shall be granted in an amount equal to fifty per cent of the amount of  
29 payments made to the outstanding principal balance of such loans by  
30 the qualified employer during the taxable year, provided the amount  
31 of credit allowed for any taxable year with respect to a specific  
32 qualified employee shall not exceed two thousand six hundred twenty-  
33 five dollars.

34 (2) A qualified employer may claim the credit under subdivision (1)  
35 of this subsection for a payment made during the part of the taxable  
36 year the qualified employee worked and resided in the state, provided  
37 a qualified employee who worked and resided in the state for any part  
38 of a month shall be deemed to have worked and resided in the state for  
39 the entire month for purposes of this section.

40 (3) The credit in subdivision (1) of this subsection shall not be  
41 allowed for more than five taxable years with respect to a specific

42 qualified employee or against the tax imposed under chapters 207 and  
43 208 of the general statutes for the same loan payment.

44 (c) A qualified employer that claims the credit under subsection (b)  
45 of this section shall provide any documentation required by the  
46 Commissioner of Revenue Services in a form and manner prescribed  
47 by the commissioner."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2022, and applicable to taxable years commencing on or after January 1, 2022</i>	New section